

**OPENING STATEMENT  
SENATOR ERNEST F. HOLLINGS  
HEARING ON COAST GUARD BUDGET ISSUES  
MARCH 12, 1998**

Good afternoon. I am pleased to see that the Oceans and Fisheries Subcommittee has made the programs and funding needs of the United States Coast Guard an early priority. I welcome Admiral Kramek and his associates. Admiral, it seems hard to believe that your tour as Commandant is coming to a close. Thank you for your leadership. We will certainly miss you.

The Coast Guard has a critical role as a branch of our armed services in defending our Nation and maintaining national security. In addition, the men and women of the Coast Guard make a vital contribution to other diverse missions. Last year alone, the Coast Guard conducted 12,449 fisheries enforcement boardings; prevented 103 thousand pounds of cocaine and 102 pounds of marijuana from reaching the streets; gave safety instruction to 570 thousand recreational boaters; responded to 13,654 reports of water pollution or hazardous spills; prevented property loss of \$2.5 billion; and saved almost 5,000 lives.

In my hometown of Charleston, the Coast Guard makes these statistics personal. Last June, fifty-five passengers and crew boarded a tour boat at Patriot's Point and sailed across Charleston Harbor towards historic Fort Sumter. En route, a fire broke out in the engine room. The Coast Guard came to the vessel's assistance and no one aboard was injured. In November, the Coast Guard Cutter DALLAS which is homeported in Charleston was participating in a joint surveillance operation with the U.S. Navy, the U.S. Drug Enforcement Agency, and the Colombian Navy. During the operation, the DALLAS fired 25 warning shots in pursuit of a 40-foot boat spotted off of the coast of Colombia and recovered 1 of the 2 tons of cocaine netted in the operation. Through actions like these, the American public has learned to depend on the Coast

Guard's service, both close to home and in trouble spots around the world.

The Coast Guard record is impressive, but it is one that the agency may not be able to maintain unless it continues to receive adequate funding and support. Turning to the budget, President Clinton has requested Coast Guard funding of \$4.09 billion for fiscal year 1999. This increase of roughly 3 percent over last year is needed for the Coast Guard to maintain its services to the public.

Over the years the Coast Guard has shown us how to accomplish more with less. However, there is one element of the fiscal year 1999 budget request that troubles me -- the proposal to charge commercial cargo carriers user fees for navigational assistance that the Coast Guard provides. I understand the Coast Guard's interest in using the funds generated to acquire new equipment, but I do not think that this type of fee is good policy, especially in light of litigation over the Harbor Maintenance Tax. Nor am I sure that the Coast Guard has the authority to levy them. I look forward to a full discussion of this issue.

Over the past two centuries, the U.S. Coast Guard has built an enduring reputation throughout the world for its maritime safety, environmental protection, humanitarian, and lifesaving efforts. I look forward to today's hearing to discuss the service's budgetary and programmatic needs for fiscal year 1999.